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**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION**

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In re Case No. 2:21-bk-18205-DS

12 | CRESTLLOYD, LLC, District Court Case No. 2:22-cv-02677-GW

13 Debtor in Possession. Chapter 11

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STATEMENT OF ISSUES ON APPEAL

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17 Appellant Inferno Investment, Inc. ("Inferno"), hereby submits this statement of
18 issues to be presented on appeal and designation of record on appeal pursuant to
19 Federal Rule of Bankruptcy Procedure 8009(a) in connection with the appeal of the Order
20 *Granting Debtor's Motion for an Order: (1) Approving the Sale of the Debtor's Real*
21 *Property Free and Clear of All Liens, Claims, Encumbrances, and Interests, with the*
22 *Exception of Enumerated Exclusions; (2) Finding that the Buyer Is a Good Faith*
23 *Purchaser; (3) Authorizing and Approving the Payment of Certain Claims from Sale*
24 *Proceeds; (4) Waiving the Fourteen-Day Stay Period Set Forth in Bankruptcy Rule*
25 *6004(h); and (5) Providing Related Relief [Docket No. 247].*

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1 **STATEMENT OF THE ISSUE TO BE PRESENTED ON APPEAL**

2 Did the Bankruptcy Court err in ordering that the sale of real property could be free
3 and clear of liens pursuant to 11 U.S.C. § 363(f)(5) such that the liens that were not paid
4 through escrow remain attached to the real property that was sold?

5 **DESIGNATION OF THE RECORD ON APPEAL**

6 Inferno hereby designates the following items for inclusion in the record on appeal:

Docket No.	Date Filed/Entered	Document Title
1	10/26/21	Chapter 11 Petition
37	11/18/21	Status Report for Chapter 11 Status Conference
52	11/23/21	Schedules and Statement of Financial Affairs
66	12/8/21	<i>Debtor's Notice of Motion and Motion for Entry of Interim and Final Orders: (I) Authorizing Debtor to Obtain Senior Secured Postpetition Financing Pursuant to Section 364 of the Bankruptcy Code; (II) Granting Super-Priority Administrative Claims and Senior Liens; (III) Scheduling a Final Hearing; and (IV) Granting Related Relief</i>
70	12/10/21	<i>Interim Order Granting Motion for Order (I) Authorizing Debtor to Obtain Senior Secured Postpetition Financing Pursuant to Section 364 of the Bankruptcy Code; (II) Granting Super-Priority Administrative Claims and Senior Liens; (III) Scheduling a Final Hearing; and (IV) Granting Related Relief</i>
74	12/14/21	<i>Application of Debtor and Debtor in Possession to: (1) Employ the Beverly Hills Estates and Compass as Real Estate Brokers Pursuant to 11 U.S.C. § 327(a) with Compensation Determined Pursuant to 11 U.S.C. § 328, (2) Employ Concierge Auctions, LLC as Auctioneer Pursuant to 11 U.S.C. § 327(a) with Compensation Determined Pursuant to 11 U.S.C. § 328, and (3) Approve the Payment of Compensation to Real Estate Brokers and Auctioneer from Escrow Upon Closing</i>
78	12/16/21	<i>Errata to Application of Debtor and Debtor in Possession to: (1) Employ the Beverly Hills Estates and Compass as Real Estate Brokers Pursuant to 11 U.S.C. § 327(a) with Compensation Determined Pursuant to 11 U.S.C. § 328, (2) Employ Concierge Auctions, LLC as Auctioneer Pursuant to 11 U.S.C. § 327(a) with Compensation Determined Pursuant to 11 U.S.C. § 328, and (3) Approve the Payment of Compensation to Real Estate Brokers and Auctioneer from Escrow Upon Closing</i>

Docket No.	Date Filed/Entered	Document Title
81	12/21/21	<i>Supplemental Declaration of Lawrence R. Perkins in Support of Application of Debtor and Debtor in Possession to: (1) Employ the Beverly Hills Estates and Compass as Real Estate Brokers Pursuant to 11 U.S.C. § 327(a) with Compensation Determined Pursuant to 11 U.S.C. § 328, (2) Employ Concierge Auctions, LLC as Auctioneer Pursuant to 11 U.S.C. § 327(a) with Compensation Determined Pursuant to 11 U.S.C. § 328, and (3) Approve the Payment of Compensation to Real Estate Brokers and Auctioneer from Escrow Upon Closing</i>
88	12/29/21	<i>Debtor's Notice of Motion and Motion to: (1) Approve Auction and Bid Procedures Regarding the Sale of Real Property and (2) Set Scheduling for a Motion to Approve the Sale of Real Property</i>
97	1/5/22	<i>Limited Objection of Yogi Securities Holdings, LLC to Debtor's Motion to: (1) Approve Auction and Bid Procedures Regarding the Sale of Real Property and (2) Set Scheduling for a Motion to Approve the Sale of Real Property</i>
98	1/5/22	<i>Opposition of Inferno Investment, Inc. to Debtor's Motion to: (1) Approve Auction and Bid Procedures Regarding the Sale of Real Property and (2) Set Scheduling for a Motion to Approve the Sale of Real Property</i>
104	1/10/22	<i>Order Approving Application of Debtor and Debtor in Possession to: (1) Employ the Beverly Hills Estates and Compass as Real Estate Brokers Pursuant to 11 U.S.C. § 327(a) with Compensation Determined Pursuant to 11 U.S.C. § 328, (2) Employ Concierge Auctions, LLC as Auctioneer Pursuant to 11 U.S.C. § 327(a) with Compensation Determined Pursuant to 11 U.S.C. § 328, and (3) Approve the Payment of Compensation to Real Estate Brokers and Auctioneer from Escrow Upon Closing</i>
105	1/10/22	<i>Order Granting Debtor's Motion to: (1) Approve Auction and Bid Procedures Regarding the Sale of Real Property and (2) Set Scheduling for a Motion to Approve the Sale of Real Property</i>
115	1/14/22	<i>Order Following Status Conference Amending Certain Dates Under Order Granting Debtor's Motion to: (1) Approve Auction and Bid Procedures Regarding the Sale of Real Property and (2) Set Scheduling for a Motion to Approve the Sale of Real Property</i>
141	3/7/22	<i>Stipulation Re: Motion to Sell Property and Hilldun Corporation's Claim in Connection therewith</i>

Docket No.	Date Filed/Entered	Document Title
142	3/8/22	<i>Debtor's Motion for an Order: (1) Approving the Sale of the Debtor's Real Property Free and Clear of All Liens, Claims, Encumbrances, and Interests, with the Exception of Enumerated Exclusions; (2) Finding that the Buyer Is a Good Faith Purchaser; (3) Authorizing and Approving the Payment of Certain Claims from Sale Proceeds; (4) Waiving the Fourteen-Day Stay Period Set Forth in Bankruptcy Rule 6004(h); and (5) Providing Related Relief</i>
143	3/8/22	<i>Notice of Hearing on Debtor's Motion for an Order: (1) Approving the Sale of the Debtor's Real Property Free and Clear of All Liens, Claims, Encumbrances, and Interests, with the Exception of Enumerated Exclusions; (2) Finding that the Buyer Is a Good Faith Purchaser; (3) Authorizing and Approving the Payment of Certain Claims from Sale Proceeds; (4) Waiving the Fourteen-Day Stay Period Set Forth in Bankruptcy Rule 6004(h); and (5) Providing Related Relief</i>
162	3/10/22	<i>Buyer's Notice of Motion and Motion to Enforce the Court's Order Approving Bid Procedures</i>
170	3/11/22	<i>Debtor's Response to Motion to Enforce the Court's Order Approving Bid Procedures</i>
174	3/11/22	<i>Order Denying Motion to Enforce the Court's Order Approving Bid Procedures</i>
191	3/15/22	<i>Opposition to Motion for an Order: (1) Approving the Sale of the Debtor's Real Property Free and Clear of All Liens, Claims, Encumbrances, and Interests, with the Exception of Enumerated Exclusions; (2) Finding that the Buyer Is a Good Faith Purchaser; (3) Authorizing and Approving the Payment of Certain Claims from Sale Proceeds; (4) Waiving the Fourteen-Day Stay Period Set Forth in Bankruptcy Rule 6004(h); and (5) Providing Related Relief filed by Creditor American Truck and Tool Rental</i>
192	3/15/22	<i>Objection to Motion for an Order: (1) Approving the Sale of the Debtor's Real Property Free and Clear of All Liens, Claims, Encumbrances, and Interests, with the Exception of Enumerated Exclusions; (2) Finding that the Buyer Is a Good Faith Purchaser; (3) Authorizing and Approving the Payment of Certain Claims from Sale Proceeds; (4) Waiving the Fourteen-Day Stay Period Set Forth in Bankruptcy Rule 6004(h); and (5) Providing Related Relief filed by J&E Texture, Inc.</i>
193	3/15/22	<i>Objection of Yogi Securities Holdings, LLC to Motion for an Order: (1) Approving the Sale of the Debtor's Real Property Free and Clear of All Liens, Claims, Encumbrances, and Interests, with the Exception of Enumerated Exclusions; (2) Finding that the Buyer Is a Good Faith Purchaser; (3) Authorizing and Approving the Payment of Certain Claims from Sale Proceeds; (4) Waiving the Fourteen-Day Stay Period Set Forth in Bankruptcy Rule 6004(h); and (5) Providing Related Relief filed by Creditor American Truck and Tool Rental</i>

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Docket No.	Date Filed/Entered	Document Title																										
	194	3/15/22	<i>Buyer's Statement in Support of the Sale of the Property Pursuant to Bid Procedures and Limited Objection and Reservation of Rights</i>																									
	196	3/15/22	<i>Objection to Motion for an Order: (1) Approving the Sale of the Debtor's Real Property Free and Clear of All Liens, Claims, Encumbrances, and Interests, with the Exception of Enumerated Exclusions; (2) Finding that the Buyer Is a Good Faith Purchaser; (3) Authorizing and Approving the Payment of Certain Claims from Sale Proceeds; (4) Waiving the Fourteen-Day Stay Period Set Forth in Bankruptcy Rule 6004(h); and (5) Providing Related Relief filed by Nile Niami</i>																									
	198	3/15/22	<i>Opposition to Motion for an Order: (1) Approving the Sale of the Debtor's Real Property Free and Clear of All Liens, Claims, Encumbrances, and Interests, with the Exception of Enumerated Exclusions; (2) Finding that the Buyer Is a Good Faith Purchaser; (3) Authorizing and Approving the Payment of Certain Claims from Sale Proceeds; (4) Waiving the Fourteen-Day Stay Period Set Forth in Bankruptcy Rule 6004(h); and (5) Providing Related Relief filed by Inferno Investment, Inc.</i>																									
	201	3/15/22	<i>Opposition to Motion for an Order: (1) Approving the Sale of the Debtor's Real Property Free and Clear of All Liens, Claims, Encumbrances, and Interests, with the Exception of Enumerated Exclusions; (2) Finding that the Buyer Is a Good Faith Purchaser; (3) Authorizing and Approving the Payment of Certain Claims from Sale Proceeds; (4) Waiving the Fourteen-Day Stay Period Set Forth in Bankruptcy Rule 6004(h); and (5) Providing Related Relief filed by Creditor Italian Luxury Group, LLC, and Italian Luxury Design, LLC</i>																									
	202	3/15/22	<i>Declaration of Yvonne Niami in Opposition to Sale Motion</i>																									
	203	3/16/22	<i>Stipulation with American Truck & Tool Rental Inc. Re: Motion for an Order: (1) Approving the Sale of the Debtor's Real Property Free and Clear of All Liens, Claims, Encumbrances, and Interests, with the Exception of Enumerated Exclusions; (2) Finding that the Buyer Is a Good Faith Purchaser; (3) Authorizing and Approving the Payment of Certain Claims from Sale Proceeds; (4) Waiving the Fourteen-Day Stay Period Set Forth in Bankruptcy Rule 6004(h); and (5) Providing Related Relief</i>																									
	204	3/16/22	<i>Stipulation with J&E Texture, Inc. Re: Motion for an Order: (1) Approving the Sale of the Debtor's Real Property Free and Clear of All Liens, Claims, Encumbrances, and Interests, with the Exception of Enumerated Exclusions; (2) Finding that the Buyer Is a Good Faith Purchaser; (3) Authorizing and Approving the Payment of Certain Claims from Sale Proceeds; (4) Waiving the Fourteen-Day Stay Period Set Forth in Bankruptcy Rule 6004(h); and (5) Providing Related Relief</i>																									
	205	3/16/22	<i>Richard Saghian's Omnibus Reply in Support of Debtor's Sale Motion</i>																									

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Docket No.	Date Filed/ Entered	Document Title																									
206	3/16/22	<i>Declaration of Richard Saghian in Support of Richard Saghian's Omnibus Reply in Support of Debtor's Sale Motion</i>																									
208	3/16/22	<i>Debtor's Omnibus Reply to Oppositions to Motion for an Order: (1) Approving the Sale of the Debtor's Real Property Free and Clear of All Liens, Claims, Encumbrances, and Interests, with the Exception of Enumerated Exclusions; (2) Finding that the Buyer Is a Good Faith Purchaser; (3) Authorizing and Approving the Payment of Certain Claims from Sale Proceeds; (4) Waiving the Fourteen-Day Stay Period Set Forth in Bankruptcy Rule 6004(h); and (5) Providing Related Relief</i>																									
214	3/17/22	<i>Notice of Errata to Declaration of Joseph Englanoff in Support of Objection of Yogi Securities Holdings, LLC to Debtor's Motion to Approve the Sale of the Debtors' Real Property</i>																									
215	3/17/22	<i>Request for Judicial Notice in Support of Opposition of Nile Niami to Debtor's Motion for an Order Approving the Sale of the Debtor's Real Property Free and Clear of All Liens, Claims, Encumbrances and Interests, with the Exception of Enumerated Exclusions</i>																									
217	3/18/22	<i>Notice of Lodging of Signed Addendum to Purchase Agreement</i>																									
220	3/21/22	<i>Amended Stipulation with J&E Texture, Inc. Re: Motion for an Order: (1) Approving the Sale of the Debtor's Real Property Free and Clear of All Liens, Claims, Encumbrances, and Interests, with the Exception of Enumerated Exclusions; (2) Finding that the Buyer Is a Good Faith Purchaser; (3) Authorizing and Approving the Payment of Certain Claims from Sale Proceeds; (4) Waiving the Fourteen-Day Stay Period Set Forth in Bankruptcy Rule 6004(h); and (5) Providing Related Relief</i>																									
247	3/28/22	<i>Order Granting Debtor's Motion for an Order: (1) Approving the Sale of the Debtor's Real Property Free and Clear of All Liens, Claims, Encumbrances, and Interests, with the Exception of Enumerated Exclusions; (2) Finding that the Buyer Is a Good Faith Purchaser; (3) Authorizing and Approving the Payment of Certain Claims from Sale Proceeds; (4) Waiving the Fourteen-Day Stay Period Set Forth in Bankruptcy Rule 6004(h); and (5) Providing Related Relief</i>																									
279	4/11/22	<i>Notice of Appeal filed by Inferno Investment, Inc.</i>																									
		<i>Transcript of Proceedings (Jan. 6, 2022)</i>																									
		<i>Transcript of Proceedings (Mar. 18, 2022)</i>																									
		<i>Transcript of Proceedings (Mar. 21, 2022)</i>																									

1 DATED: April 25, 2022

Respectfully submitted,

2 SMILEY WANG-EKVALL, LLP

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4 By: /s/ Kyra E. Andrassy

5 KYRA E. ANDRASSY

6 Attorneys for Inferno Investment, Inc.

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PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
3200 Park Center Drive, Suite 250, Costa Mesa, CA. 92626

A true and correct copy of the foregoing document entitled (*specify*): **Designation of the Record and Statement of Issues on Appeal** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (date) **4/25/2022**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (date) **4/25/2022**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Honorable Deborah J. Saltzman
United States Bankruptcy Court
Central District of California
Edward R. Roybal Federal Building and Courthouse
255 E. Temple Street, Suite 1634 / Courtroom 1639
Los Angeles, CA 90012

Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (date) , I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

4/25/2022 Lynnette Garrett
Date Printed Name

/s/ Lynnette Garrett
Signature

TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

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